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SOCIAL POLICY RESEARCH ASSOCIATES

STATE OF TEXAS One-Stop Profile

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STATE OF TEXAS

One-Stop Profile

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STATE OF TEXAS

One-Stop Profile

DESCRIPTION OF THE STATE CONTEXT

The state of Texas has embarked on an ambitious plan to fully integrate over twenty distinct workforce development programs under one administrative roof, the Texas Workforce Commission. This reorganization has entailed massive state-level organizational change, and has contributed to the rapid pace of program integration at local One-Stop “Career Centers.” Fundamental to statewide efforts has been a strategic vision for a statewide system of Career Centers in which customers can conveniently access information and services tailored to their specific needs.

Texas workforce development programs have a long history of coordination and co-location. For example, a “comprehensive office model” project dating back to the 1970s involved the merging of job information services, labor exchange, and inter-agency employment development teams. More recently, since 1990, the state has encouraged the co-location and coordination of services offered by the Texas Employment Commission (TEC) and the Department of Human Services (DHS) on behalf of residents receiving public assistance. TEC, for example, has held a statewide DHS contract for the delivery of work-related services to public assistance recipients under both the JOBS program for AFDC recipients and the Food Stamp E&T program. In addition, many local sites have experience coordinating the delivery of JTPA and ES services through co-location and coordination agreements. These experiences helped pave the way for the emergence of the statewide One-Stop initiative in 1992 and 1993.

The state’s One-Stop mission is “to place Texans in jobs and equip workers with the skills that foster economic development.” Stated system-level goals include the development of:

- a statewide system of local workforce development centers where all clients and employers can conveniently access a network of information and services responsive to their individual needs; and
- a state and local strategic planning, evaluation, and accountability system for the state’s workforce development programs and activities.

In addition, the state has established One-Stop program goals of providing Texas residents with the skills necessary for educational and career advancement (including adult literacy, basic education skills, and specific occupational skills) as well as providing youth with the knowledge, skills, and behaviors needed for the transition into productive careers and lifelong learning. The

One-Stop initiative in Texas has been explicitly intertwined with the goals of welfare reform, which include using a “work first” approach to increase the percentage of Texans who become and remain independent of public financial assistance.

As described later in this profile, the state’s vision of One-Stop services begins with the dissemination of a number of state-developed technology-based products to assist job seekers and employers (e.g., job matching and career information systems, as well as a “consumer report card” system of information on local education and training providers), but also includes the development and implementation of a wide range of locally-developed integrated core services tailored to the needs of individual job seekers, students, and employers.

To accomplish these ambitious goals, the state’s One-Stop strategy emphasizes local initiative and control in the planning and operation of local workforce development boards (“Boards”) responsible for the design and operation of local One-Stop centers. The state role in the development of local One-Stop systems is to encourage and support the development of local One-Stop models rather than to disseminate a standardized state design.

Key state design criteria emphasize the need to involve all DOL-funded programs in at least one operational full-service One-Stop center within six months of workforce board certification and to plan for the inclusion of a wider range of local partners by the end of the first year of One-Stop operations. In areas where they have begun to operate, boards assume many of the planning, monitoring evaluation, and fiscal functions for local workforce programs. Although local areas retain the option of not forming boards, and can maintain or expand their present workforce governance systems, *all* areas are encouraged to develop One-Stop Centers.

Technology is perceived as a key factor in developing an integrated workforce development system and realizing the vision of providing quality information to a universal customer base. In this regard, the Texas State Occupational Information and Coordinating Committee (SOICC) has provided the foundation for a labor market and career information system.

A number of key variables have influenced One-Stop planning, design, and implementation in Texas. These include, among other things, (1) the rapid pace of organizational change; (2) extreme diversity within the state and a resulting sensitivity to issues of local autonomy; (3) historical links between workforce development restructuring and welfare reforms; and (4) strong political and legislative support for revitalizing workforce development efforts. Each of these contextual variables is discussed briefly below.

- *Major reorganization and consolidation of workforce development programs have affected the pace of implementation of the statewide One-Stop Career*

Center system There are dramatic changes occurring at both the state and the local levels. In some cases, reorganization has prompted rapid co-location and integration of services. At the same time, because of the breadth of changes to the Texas workforce system, some One-Stop initiatives have been delayed until the organizational and operational structure of the Workforce Commission becomes institutionalized. To some degree, local levels have had to wait for the major reorganization to “shake out” at the state level before they can get consistent guidance and direction.

- *Texas’s large size, diversity, and history of strong local autonomy have prompted the state to adopt a flexible One-Stop implementation model.* Texas is comprised of 254 counties, 35 SDAs, and 28 Workforce Development Areas. The state has very wealthy urban and suburban areas with highly diversified economies. At the same time, a fifteen-county area along the Mexican border is the poorest region in the nation. And whereas Texas is home to some of the nation’s top universities, half of working-age Texans read at the lowest levels of literacy. Responding to this high degree of diversity and aware of the importance of local autonomy, the state has recognized the need to support a number of different One-Stop models designed and governed locally, rather than proposing a more standardized state system. The state therefore sees itself in an *advisory* and *supportive* role for local areas with respect to One-Stop implementation.
- *Workforce development initiatives and welfare reform are closely linked.* One important legislative initiative, HB 1863, for example, was originally conceived as a welfare reform measure. Based on a “work first” approach, the bill was originally intended to encourage an increased emphasis on employment, training, temporary assistance, and support services. When finally enacted, however, it had become much broader in scope, touching nearly every facet of workforce development. Because of this unique legislative history, One-Stop implementation in Texas faces a dual challenge: on the one hand, the state wants the system to become universally accessible; on the other hand, there is a clear concern for addressing the needs of those who may be less prepared to enter the workforce. This is likely to result in extremely broad service menus at One-Stop Centers, a careful balancing act to meet the needs of employers and job seekers, and serious questions of how to prioritize different needs given limited program dollars.
- *There is political support at the highest levels of state government for revitalizing workforce development.* State respondents indicated that there is strong bi-partisan support from the legislature and governor for workforce development reform, and that the administration has acted decisively on policy recommendations of the state’s Human Resource Investment Council called the Texas Council on Workforce and Economic Competitiveness (“State Council”). One result of this political support has been the development of a high-quality state-level One-Stop team, whose head was the former executive director of the State Council.

EVOLUTION AND GENERAL DESCRIPTION OF STATE ONE-STOP DESIGN

The statewide One-Stop approach to the delivery of services in Texas began with a series of state-sponsored studies and legislative initiatives. In 1992, an influential report from the State Comptroller's Office focused on the state's workforce development efforts. This report highlighted the low level of literacy among state residents and sought to focus attention on improving basic skills, which has since been a consistent part of the state design for One-Stop services.

In 1993, Senate Bill 642, "The Workforce and Economic Competitiveness Act," was passed. Among other things, the Act (1) provided for the creation of a State Council to advocate for the development of an integrated workforce development system; (2) gave a mandate to the State Council to designate local workforce development areas throughout the state (a total of 28 areas were created); and (3) encouraged local officials to form local workforce development boards to plan and oversee the delivery of all local workforce training and services programs.

SB 642 identified six core services to be available at local workforce development centers established by local boards: (1) labor market information; (2) common intake and eligibility determination for all local workforce development programs and services; (3) independent assessment of individual needs and the development of individual service strategies; (4) coordinated and continuous case management and counseling; (5) individual referral for services, including basic education, classroom skills training, on-the-job training, and customized training; and (6) supportive services. Although not mandated by statute, the state also requires that certain employer services be in place at workforce centers.

In 1995, two events further promoted the development of the One-Stop initiative in Texas. First, the federal One-Stop Implementation Grant provided funding to encourage the formation of local workforce development boards and local One-Stop systems. Second, the passage of House Bill 1863 mandated the integration of workforce development programs, creating the Texas Workforce Commission, a "super-consolidated" agency. As a result of these factors, the Federal One-Stop effort received strong support within the state of Texas, particularly as the initiative related to program consolidation.

The state has adopted a phased approach to One-Stop planning and implementation. During the first phase beginning in early 1995, five pilot areas were chosen to receive implementation grant funds. Another seven areas were selected for implementation in mid-1995. Further, it was expected that each workforce development area in the state would have at least one One-Stop Career Center by the end of 1996. Within these Centers, the state encourages the adoption of a strategy of three tiers of service (self-service, group services, and individualized

services) as the means to achieving universal access while still addressing the needs of customers who need more intensive assistance. The intended key state-level functions are viewed as: (1) guiding and supporting the development of local One-Stops in planning and operation, including the development of the planning guidelines and benchmarkings (which rely in part on local self-assessment); (2) promoting peer-to-peer exchanges; (3) taking the lead on the development of evaluation and performance measures, and (4) developing and refining technology-based products and MIS systems to support integrated intake and case management.

ORGANIZATION AND GOVERNANCE OF STATE ONE-STOP INITIATIVE

State-Level Organization and Governance

There are two major entities responsible for workforce governance, the Texas Council on Workforce and Economic Competitiveness and the Texas Workforce Commission, which is responsible for administering the workforce development programs. Currently housed within the Workforce Commission, a “One-Stop team” functions as the staff-level planning body for the One-Stop initiative.

Senate Bill 642 created the State Council, and charged it with planning, developing, and evaluating an integrated workforce system. With its establishment in September 1995, the State Council replaced five different previous state advisory committees and councils. The State Council’s extremely broad role in the One-Stop system is to set overall state workforce development goals and policies and guide the Texas Workforce Commission in the administration of the integrated state workforce development system. The Council’s duties include identifying local workforce development areas and boundaries, developing criteria for certification, approving local workforce development board plans, and making recommendations to the governor about such initiatives as school-to-work¹. The Council has also conducted needs assessments on a variety of customer groups, and has established statewide goals and core performance measures for service delivery.

The Texas Workforce Commission, state-level agency responsible for administering workforce development programs, replaced the Texas Employment Commission (TEC) and all its previous functions as of June 1, 1996. The TWC is built on the infrastructure of the TEC, which was the fiscal agent and grant administrator for One-Stop implementation. TEC administered all unemployment insurance (UI) and employment service (ES) funds through 11 regional offices and

¹ The State Council has the planning grant for School-to-Work in Texas. Implementation has been moved from Higher Education (THECB) to the Texas Workforce Commission.

200 local offices and service points. TEC also administered a variety of other programs including Work and Family Policies, Job Counseling for Displaced Homemakers, Trade Adjustment Assistance (TAA), Veterans Employment (VETS), Project RIO (Reintegration of Offenders), and was the contractor selected by the Texas Department of Human Services for the delivery of JOBS and Food Stamp Employment and Training (FSE&T) delivery.

The State Occupation Information Coordinating Committee (SOICC) which had previously been housed under the Texas Employment Commission, will also move under TWC's umbrella. SOICC will continue its mandate to coordinate the development and dissemination of labor market, occupational, and career information for five agencies: (1) the Texas Education Agency (TEA) including K-12 and higher education; (2) the Texas Higher Education Coordinating Board (THECB); (3) the Texas Department of Commerce (TDOC); (4) the Texas Rehabilitation Commission; and (5) the former Texas Employment Commission.

Finally, the TWC is now responsible for administering a number of workforce development programs that were previously administered by other agencies. Thus, TWC is currently responsible for all the programs included in Table 1.

Table 1
Programs Administered by the Texas Workforce Commission

<u>Programs</u>	<u>Previous Administrative Entity</u>
<ul style="list-style-type: none"> • Unemployment Insurance (UI) • Employment Service (ES) • Work and Family Policies • Job Counseling for Displaced Homemakers • Trade Adjustment Assistance (TAA) • Job Corps • Veterans Employment (VETS) • Project RIO 	<i>Texas Employment Commission</i>
<ul style="list-style-type: none"> • JTPA • Literacy programs 	<i>Texas Department of Commerce (TDOC)</i>
<ul style="list-style-type: none"> • Adult Education • Proprietary school regulation • Apprenticeship training • Education and job training coordination 	<i>Texas Education Agency (TEA)</i>
<ul style="list-style-type: none"> • Post-secondary vocational and technical job training (CJT) 	<i>Community Colleges, School Districts</i>
<ul style="list-style-type: none"> • JOBS and related employment and child care programs • Food Stamp Employment and Training (FSE&T) • Program support for JOBS and FSE&T 	<i>Texas Department of Human Services (TDHS)</i>
<ul style="list-style-type: none"> • Senior Citizens Employment 	<i>Texas Department on Aging</i>
<ul style="list-style-type: none"> • School-to-Work (Planning Activities) 	<i>Texas Council on Workforce and Economic Competitiveness</i>
<ul style="list-style-type: none"> • Community Service 	<i>Governor's Office</i>

With the exception of TEC, all other agencies that previously administered workforce development programs remain intact, having relinquished authority over only those programs merged into the Workforce Commission. By March, 1996, JTPA and other programs formerly administered by Texas Department of Commerce's workforce division, as well as JOBS and Food Stamp Employment and Training, had merged with TEC under the Workforce Commission. Other programmatic responsibilities under the Commission include the regulation of proprietary schools, Veterans Employment and Training Service (VETS), relevant child care programs, and adult basic education. Most of the agencies listed above continue to coordinate their workforce planning efforts through representation on the State Council.²

A "One-Stop implementation team" was formed in January 1995 as an inter-agency team under the direction the former executive director of the State Council. This One-Stop team was comprised of staff assigned from TEC, TDOC, the Texas Education Agency (TEA), the Texas Higher Education Coordinating Board (THECB), and the Texas Department of Human Services (TDHS). In February, 1996, these five part time staff members of the One-Stop implementation team were replaced by two full time employees of the One-Stop office under the Texas Workforce Commission.³

State Framework for Local Governance

HB 1863, in addition to mandating the consolidation of all workforce development programs, encouraged the formation of local workforce development boards. Article 11 of HB 1863 established a framework for decentralized planning through these boards, which were to be made up of representatives from the business, labor, and education sectors, as well as community based-organizations and the general public. Although the state expects that local workforce boards will become the most prevalent system of local governance, local areas retain the option to maintain distinct advisory and governing bodies such as Private Industry Councils (PICs), Job Service Employer Committees (JSECs), Quality Workforce Planning Committees (QWFPCs), or other multi-agency management teams. At the time of the evaluation visit, 12 out of 28

² This is done through representation by the Chairs of the State Board of Education, THECB, the Texas Workforce Commission, and the presiding officers of the Board of Human Service and TDOC's Policy Advisory Board.

³ For the purpose of this profile, "One-Stop Implementation Team," or "State One-Stop Team" are used to refer both the agency team, comprised of representatives from 5 agencies, in place from 1/95-2/96 and the full-time staff of the One-Stop office under TEC/Workforce Commission in existence after 2/15/96.

workforce development areas in the state had completed applications for workforce development boards and seven had been certified.

The Texas Workforce Commission plays three roles vis-à-vis these boards: it administers state funds, oversees the operation of the boards, and provides advice to local boards and centers. As fiscal agent, the Commission continues to be the state administrator of workforce development funds. In its oversight capacity, the Commission reviews local workforce development board plans to insure that local areas have met a set of minimum criteria for certification, and then forwards its recommendations on to the State Council and to the Governor for final approval. The Texas Workforce Commission is also charged with conducting on-site reviews to ensure that minimum criteria for local One-Stops are met. In its advisory capacity to local boards, the Commission has disseminated “Workforce Development Board Planning Guidelines” to the 28 designated workforce delivery areas in the state. When requested, the Commission provides technical assistance to local areas in the process of forming boards.

Local boards in turn are responsible for planning, contracting, oversight, and evaluation of local service providers, but the maintenance of federal standards for categorical programs is the joint responsibility of boards and the Texas Workforce Commission. One major difference between the system of local boards and previous systems is the separation of administrative and service delivery provision functions. Under the workforce board system, local areas will have much greater discretion in selecting service providers, including the possible option of selecting non-governmental entities to deliver local workforce development services funded by DOL and other federal and state sources.

COMMUNICATION AND COORDINATION

The One-Stop implementation team has served as a facilitator for inter-agency communication among various partners, has helped to coordinate discussion on integration of workforce development programs at the state level, and has provided a central point of contact at the state for many local One-Stop sites.

During the initial stages of One-Stop implementation, a crucial step for creating the conditions for state-level communications involved the formation of an interagency One-Stop team. Prior to the formation of the integrated TWC, this team began to formulate innovative ideas and practices for encouraging inter-agency partnering. The One-Stop team’s function of facilitating inter-program communication at the state level may become less important over time as the integration of TWC becomes complete. As staff cohesion builds within the Workforce

Commission, it is likely to become easier to elicit input from different workforce development programs under the Commission and to promote cross-program staffing and training.

In terms of providing a point of contact at the state for many local One-Stop sites, the One-Stop team is likely to continue to play an important role. The team has created both formal and informal mechanisms for communication between the state and local areas making the transition to One-Stop Centers. These mechanisms include:

- *Participating directly* in helping to solve problems that arise in existing or planned One-Stop implementation areas. One-Stop team respondents see their role as facilitators for One-Stop Center operators. In this capacity, the One-Stop team often advocates on behalf of local Centers among the various state agency partners.
- *Convening regional forums* held at different locations within the state to communicate about One-Stop activities at the state level, and to determine regional concerns, solicit input, and identify local One-Stop priorities and barriers.
- *Providing a channel of information from local sites to various policy-making and technical assistance entities.* The One-Stop team, for example, maintains regular communication with SOICC and the State Council. Based on the experience of local Centers, the team provides input to state-level workgroups charged with such tasks as developing performance measurement and evaluation standards.
- *Holding local conferences* with program staff, Career Center operators, and, where applicable, with local workforce development boards, either existing or in the process of formation. For staff and Center operators, these conferences are intended to present progress reports from pilot sites, status reports on state systems, and models of One-Stop development. Although these meetings often grow out of formal bi-annual One-Stop benchmark visits, the discussions that follow are often very informal.

Program administrators in local areas saw direct communication with the state One-Stop team as extremely valuable. One local respondent described the team as a strong advocate for One-Stops, “trying to grease the skids” with the variety of partner state agencies involved in One-Stop. Periodic meetings with local One-Stop partners are also an extremely important part of the state-level One-Stop team’s communication efforts. These meetings are designed to “bring to the table” representatives from as many One-Stop partner agencies as possible. It has been the experience of the state One-Stop team that informal communication is often most effective, and these meetings are characterized as often *informational* and *interactive*.

These informal meetings often grow out of more formalized “benchmarking” visits, which are based on a set of broad, but clear targets. With the recognition that “expertise regarding how One-Stop should be implemented is at the local level,” benchmarking is based primarily on local

self-assessments, with visits from the state One-Stop team intended for verification. State respondents emphasize the importance of inter-agency teams in site visits, with teams generally comprised of two visitors from different agencies. These teams look for measured progress, and attempt to avoid being “overly quantitative” in their assessments.

The benchmarking visits are intended to provide the opportunity for local sites to describe their current situation and the problems they have encountered. In addition to benchmarking by the state, the use of peer resources for mutual technical assistance is strongly encouraged, end-of-implementation-year reviews are conducted by peer review teams, and representatives of local area One-Stops have formed quality assistance groups using peer review processes.

Many sites approach these processes as an opportunity to cull suggestions and request technical assistance from state staff and peer reviewers, while other sites prefer to deal with any problems they encounter locally. State respondents indicated that they respect both approaches, and that they are concerned with maintaining flexibility in dealing with a wide range of concerns related to communicating with local sites while continuing to communicate the need for systemic reform and program consolidation. They emphasized that a coordinated plan for state-to-local communication must take into consideration the variety of forms that One-Stop has adopted in different parts of the state and the varying stages of development at existing or planned One-Stop sites.

FUNDING ARRANGEMENTS, BUDGETING, AND FISCAL ISSUES

The state has used One-Stop implementation funding to realize its vision of promoting One-Stop pilot projects throughout the state, and to develop a sophisticated technological infrastructure capable of supporting labor market and other information systems. During the first and second year of the One-Stop Implementation grant, Texas received a total of \$13.4 million (including \$1.7 million in LMI funding the first year to support the One-Stop initiative). Approximately \$3.5 million (roughly one-quarter) of the total One-Stop funding across both years has been reserved for use at the state level to support the development of financial systems, performance measurement and evaluation systems, and the development and refinement of technology-based customer products, such as the state’s career information systems and occupational wage database.

Of the remaining implementation and LMI grant funds, \$500,000 has been allocated to providing financial incentives for the formation of local workforce development boards, \$5 million has been provided to 12 local areas to support the implementation of “pilot” One-Stop systems, \$2.5 million has been earmarked for supporting One-Stop system development in the 16 areas that

did not receive pilot funding, and \$1.5 million has been allocated to support local implementation efforts related to improved LMI, including the purchase of hardware and software to implement the state's career information systems and to develop eligibility and assessment software for the pilot sites.

Perhaps the most important issue in Texas One-Stop development in the future will have to do with the integration of funding streams. When legislation mandating program consolidation (HB 1863) was passed, it was anticipated that many of the fiscal accountability issues associated with categorical funding streams would have disappeared by fiscal year 1997 with block granting of federal workforce development programs. During the time of the site visit, it appeared much less likely than it had even a year before that Congress would pass block grant legislation for workforce programs. This situation has to some extent hindered Texas' plans for administering integrated services, because all of the reporting and eligibility issues and regulatory requirements of the DOL categorical programs are still in force.

At the time of the evaluation visit, for example, the state was reluctant to pilot the cost-sharing approaches described in the DOL cost allocation TAG, largely because of concerns about potential audit exceptions. Nevertheless, the approach to integrated workforce development systems supported by the state implies that the services provided by One-Stop centers will be supported using funding for categorical programs. Under these conditions, local workforce development boards and local service providers will continue to be responsible for expending moneys from each categorical funding stream in a manner that is consistent with the legislative and regulatory requirements for individual programs.

Another unexpected challenge faced in One-Stop implementation in Texas had to do with the issue of preparing physical facilities for One-Stop delivery. During the planning process, the degree to which facilities issues would become important had been underestimated. Many existing state buildings were not suitable for One-Stop Centers, leaving many potential Centers the option of either investing in renovation of existing structures or leasing commercial space, which also often required some alteration of floor plans to accommodate One-Stops. Key respondents noted that it has been a time-consuming process to obtain federal waivers for the expenditure of One-Stop grants on the rehabilitation or renovation of physical facilities.

RELEVANCE OF THE STATE DESIGN TO THE FOUR FEDERAL GOALS

Universal Access

One-Stop Centers are envisioned as central points of access to information and services that address the needs of all individuals in an area. An important objective of Texas's One-Stop

system is the achievement of the federal goal of *universality*, interpreted as giving “all population groups, including individuals and employers, access to a broad array of services and information from a comprehensive assortment of employment, education and training programs.” “Customer empowerment” is a key concept in the realization of universality.

To achieve universal access, the state has implemented a system of three tiers of service. In this system, the majority of customers access self-service options (the first tier), with progressively smaller numbers of customers participating in group services (the second tier), and then individualized services (the third tier). By providing access to more self-directed services, the emerging One-Stop system can manage an increasing number of customers in an environment of diminishing funding for employment and training.

Career Centers are committed to providing a professional atmosphere providing access to high-quality information and services regardless of whether individuals are eligible for specific programs. At the same time, several questions still remain regarding the degree to which the vision of universal access will cause a shift of resources and opportunity from targeted populations to a universal population. Respondents indicated that services to targeted populations would remain an important component within the state’s One-Stop vision and planning despite the goal of working toward serving a universal population. Key respondents are aware of the continuing needs of special populations, and believe it necessary to honor an ethical commitment to see that they continue to be appropriately served.

The provision of services to a universal population, therefore, is perceived as an incremental process requiring a balancing of the needs of targeted populations with the needs of the broader public. As described below, optimizing self-directed services (including improving public access to a variety of electronic technologies and printed reference materials) and expanding opportunities for group and specialized services are important steps toward reaching the federal goal of universality.

Customer Choice

Improving customer choice for workforce development services is seen as one of the most crucial objectives within the statewide One-Stop system. Important keys to enhancing customer choice are (1) providing access to quality comprehensive information and (2) working to help customers understand the range of workforce development options available to them.

A major response to the federal objective of *customer choice* has been the development of access to a variety of technological options. All One-Stops are required to submit plans to provide for coordinated use of existing and planned technological resources, including direct on-

site access to labor market and career development information through user-friendly terminals in One-Stop Career Centers. Job listings can also be accessed from remote home or business locations, and through “Job Express” kiosks located in many areas throughout the state (see section on LMI below).

Customer choice is achieved by providing “tiers” of service made up of “self-service” options and “enhanced” services:

- Tier I Information & Self-Service* This service tier includes self-directed information searches of computerized LMI and education and training options, as well as use of printed and audio-visual reference materials.
- Tier II Group Services* Services available in this service tier include workshops on the job search process, explanations of UI benefits, and job matching.
- Tier III Intensive & Individualized Services* Services in this tier are provided by case managers, who serve as customers’ primary contact within the system. These more personal services are considered very necessary components of a responsive service delivery system. They are generally available through categorically funded programs.

By providing a flexible design in which customers have a choice of service level, the system frees staff members from many formerly routine activities, giving them more time to provide more personal assistance for those customers who need it. Moreover, by encouraging the efforts of One-Stops to coordinate with other agencies and community groups, the state has actively promoted the concept of broad-based community participation in the provision of employment and training services to people with serious barriers to employment.

Integrated Services

The goal of the Texas One-Stop system is to transform service delivery from a program-based approach to a system geared to meeting the needs of the individuals served. One-Stops are strongly encouraged to establish linkages with other organizations and systems to develop a “holistic approach” to meeting client needs. Centers are expected to take active steps to become the principal points of contact for employers and individuals ~~for~~ employment related activity. Toward these goals, One-Stops are required to demonstrate increasing levels of program integration over time.

In addition to providing access to all required DOL-funded programs by the end of the first implementation year, all One-Stops are required to submit a plan to provide full access to

programs mandated by HB 1863, such as Food Stamp Employment and Training, JOBS, and Adult Education programs. Other minimum criteria for local One-Stop systems include providing labor market information, implementing common intake and eligibility, and assessing individual needs. Depending on local visions for One-Stops, Career Centers are encouraged to establish links with other governmental and non-governmental programs with a focus on workforce development, and to provide on-site access to as many other non-mandated services as feasible.

At present, statewide One-Stop system integration in Texas is based upon sharing information among service providers and the coordination of activities among programs. Although programmatic cross-training is not a requirement for One-Stop sites, local partners are encouraged to develop cross-program training related to the specific circumstances at individual sites.

Nearly all our respondents emphasized that One-Stop implementation should be thought of as a continuing process. Much of the success of service integration will ultimately depend on the ability to manage a diversity of funding streams in such a way as to create “seamless services” from the customer’s perspective. The broad scope of integration efforts mandated by HB 1863 has also created a series of challenges. As described in the section on MIS below, some of these challenges involve realizing the goals of integrated intake and case management across a broad range of the Workforce Commission programs.

Performance-Driven/Outcome-Based

There is a strong commitment in Texas to establishing a One-Stop system that is *performance-driven and outcome-based*. The State Council has been instrumental in developing a core set of performance measures approved by the governor in 1994. These are based on labor market outcomes (entered employment rate, earnings gain rate, and employment retention rate), a variety of learning outcomes (educational achievement rate), access equity measures, and customer satisfaction/quality assurance measures for individual One-Stop Centers. In addition to state efforts, a variety of locally designed performance measures have been designed.

The State Council, in consultation with SOICC, has provided a set of clear outcome-based performance standards for One-Stops spanning the range of existing Workforce Commission programs. In addition, local sites and regional One-Stop networks are to establish procedures for measuring performance relevant to local conditions. For example, several of the Centers have sign-in sheets and customer satisfaction surveys, which in addition to surveys on customer satisfaction and usage included SOICC LMI programs, allows them to document the number of clients served, document Center use, and incorporate customer feedback into the local planning

process. Other Centers have considered issuing cards to customers that would be used like library cards and enable Centers to track service utilization patterns.

Performance measurements under a One-Stop environment, however, continue to be a conceptual challenge at both the state and local levels, particularly for service providers that have traditionally focused on measuring performance within distinct categorical programs. State respondents have argued that the first three One-Stop goals of universal access, customer choice, and integrated or “seamless” services require a “paradigm shift” in the way that performance and outcomes are measured. Issues such as who gets credit for placement among various agencies involved in One-Stop are less relevant than in the past, particularly in light of the desire to efficiently consolidate workforce development services.

Key respondents pointed to several major changes that have occurred since programmatic performance measures were conceptualized. One major change is the ability of individuals to gain electronic access to job and training information. Another change has to do with the gradual shift in the employer/employee “social contract” regarding life-time employment. Under these conditions, respondents believed that measures should be geared toward strategies that emphasize “success in life-long learning” and minimizing periods of unemployment. Existing programmatic measures were criticized as taking an “overly-narrow view of the real benefits of workforce development.” As a result, respondents argued for taking into consideration the possibility that *job* security may no longer be a realistic goal, and that long-term *employment* security may be a more adequate measure of systemic success. In the absence of comprehensive systemic measures, the state has continued to build on existing program-based performance standards in addition to addressing the new performance issues associated with integrated workforce development systems.

IMPLEMENTATION OF STATE SUPPORT MECHANISMS

Capacity Building and Technical Assistance

State capacity and technical assistance has been implemented through two major avenues: ad-hoc “team-building” at local Centers and more formal “regional forums.” These approaches are briefly described below.

From late 1994 through 1995, there was a dedicated staff position for One-Stop capacity building. Recently, however—in part because of the reorganization of state-level workforce development efforts—many of the state’s planned “capacity building” efforts have been deferred until after the consolidation of the Workforce Commission is completed. At the time of the site visit, there were no designated “capacity building” personnel, but the Workforce Commission’s

Technical Assistance Director, together with other members of the One-Stop team, served ~~as~~ *facto* facilitators for local team building.

Much of their work was done informally, and can best be described as “putting out brush-fires” through conflict management with Career Center partners. When technical assistance teams are asked to address local inter-agency issues, they often initiate day-long meetings with key local agency representatives with the objective of finding ways to overcome obstacles to cooperation. State teams are able to approach these local group-building exercises with a good deal of sympathy because they have all gone through a similar process of forming state-level inter-agency teams.

A major challenge to capacity building throughout the state revolved around the question of how to build strong local partnerships in an era of declining overall funding for workforce development. State respondents were clear in their understanding that program consolidation and declining funding might create “winners and losers” among various One-Stop partners, and this reality made the “selling” of the idea of forming partnerships and strategic alliances difficult. State respondents, however, continually emphasized the degree to which One-Stop concepts were accepted enthusiastically in many areas of the state, and that there was enough “local wisdom” in the majority of these areas to build effective One-Stop Centers.

Four regional capacity building forums took place in September and October, 1995 on such themes as discussion of the state’s One-Stop framework, managing the change process, and customer satisfaction. As part of its efforts to further promote its vision of One-Stop Career Centers, the Workforce Commission also recently sponsored a major capacity building initiative in the form of a statewide “Texas Career Center Conference” in May 1996 that was attended by approximately 1200 participants (also see “Marketing” below).

The state team continues to encourage local Centers to cross-train their partners, and to voice their concerns about collaboration in a constructive way. Consensus building is seen as a process that demands time, a commitment among partners to “put all their issues on the table,” and a willingness to go through all of the stages of group process. Key One-Stop players believe that the rewards of maintaining a central vision, and seeing this vision become realized, are great. In spite of the many challenges involved in capacity building, one state respondent reported that “we constantly hear that doing Career Centers *is fun*. People are genuinely excited about going to work, and about making this happen.”

Labor Market Information and Related Information Technology Improvements

The state of Texas has consistently excelled in developing enhanced labor market information (LMI) and other technology-based products, and customer access to information technology is seen as a cornerstone of the Texas One-Stop system. SOICC has been responsible for developing recent career development systems. These have included a case management tool (called RESCUE) originally intended to help dislocated workers determine the type of training needed in order to speed re-entry into the labor market and a user-friendly comprehensive career information delivery system (called Texas CARES) oriented to career exploration for people with little work experience. SOICC also continues to update work on existing labor market information systems including expanding the labor market planning capabilities of its LMI system. SOICC is also the lead organization in a national consortium to develop a consumer report system (CRS).

RESCUE has most recently been adopted by the Texas One-Stop Career Centers to assist the larger audience of Texas citizens who are using it to explore career alternatives and develop personal action plans for career development. This product provides information about occupations, training programs, social services, public schools and colleges, regional industries and employers, and a variety economic and demographic information. Texas CARES combines approaches intended to develop self-knowledge and to access occupational and educational information, and allows users to explore both educational and occupational options. The system integrates video materials, “help balloons” and various easily understandable icons which assist users in finding information on career skills and other occupational information. It was expected that CARES and RESCUE would be accessible at nearly all of the One-Stop centers by the end of June, 1996.

The Workforce Commission’s labor exchange electronic labor exchange system (Job Express) provides an additional tool for implementing a vision of an “information-driven workforce development system” that is readily accessible to individual customers and responsive to employer needs. Currently, 40% to 50% of all job listings on Job Express are “unsuppressed,” allowing job-seekers to contact employers directly through a self-directed electronic job search. Another 30-40% of job listings are “partially unsuppressed” (i.e. the job description is available to all customers, but the employer’s name is not shown). Partially unsuppressed listings require some screening by local offices, which determine if the prospective employee meets the minimal qualifications for the position and verify whether the position is still available. Only 20% of statewide job listings are currently “fully suppressed,” available to job seekers only through the Workforce Commission.

Job Express can be accessed through Workforce Commission offices and One-Stop Centers, and is also available through a toll-free bulletin board service (BBS) and through Job Express “Kiosks.” Customers can find these kiosks in areas of high pedestrian traffic, such as malls and 24-hour discount stores located throughout the state. In addition to providing access to the Job Express database, these kiosks are connected to America’s Job Bank, which contains job listings from all over the country, and the Governor’s Job Bank, which lists State government employment opportunities. At the time of the state visit, the Job Express system had experienced in a one-year period a six-fold increase in the number of customers accessing the automated system or “hits.” There are currently plans to provide access to several of these information systems through the Workforce Commission’s World Wide Web site.

Other information systems and technology-based products in existence or under development include:

- an automated planning model and database (SOCRATES), which provides extensive labor market information to public planners, employers, workforce development specialists, and labor market analysts within each of the 24 Quality Work Force Planning Committees in the state;
- a Consumer Report System (CRS), for which Texas is the lead state in a consortium of six states. CRS database and application software is intended to supply “report cards” on the labor market outcomes achieved by participants in local education and training offerings; and
- a geographic-based system called GEM which provides demographic, employment, and income information for each of Texas’ 254 counties, in an easily understandable narrative form. This system was scheduled to be tested in Texas Career Centers on or near the time of the evaluation visit.

Management Information Systems (MIS)

The state has attempted to take the lead in the development of information systems to support integrated client services, including the development of an integrated system for eligibility and intake and for the sharing of service referral, case management, and program outcome information across program partners.

Restructuring of management information systems in Texas is taking place both against the background of consolidation of workforce programs and in an era of rapidly evolving computer technologies that have allowed for the provision of a variety of information services to customers. But although clear progress has been made in some areas, such as voice-activated UI claims-taking, progress in other areas has been slowed down by a variety of obstacles, including competition among different state agency partners and their proposed MIS contractors, the

distinct reporting needs of different categorical funding streams, and concerns about confidentiality.

The automation of unemployment insurance (UI) benefits through voice response units (VRUs) is one example of the automation of formerly routine staff activities. Applicants for continuing UI benefits can now file their claims through a completely automated telephone system. Most beneficiaries of UI now choose the option of using VRU services rather than coming into Workforce Commission offices to file claims. This system also has the benefit of offering the flexibility to accommodate non-English language speakers—it is currently available to speakers of Spanish, and can easily be modified to serve members of other large minority language groups in Texas, such as speakers of Chinese and Vietnamese.

In 1995, new computer systems requirements occasioned by the One-Stop initiative, the rapid consolidation of programs, and the resultant need for greater flexibility, prompted the Commission to phase out its mainframe system in favor of modular computer systems based on “scaleable platforms.” In the past, TEC had made prescriptive choices about the design of information systems; now, however, because of the existence of a myriad of local information systems architectures and communications infrastructures representing large capital investments, and because of plans to design a single client database for integrated intake and case management, an “open” architectural system was designed to accommodate existing information systems. A TCPIP-based network was put in place in order to give local areas access to wage and job information, and to allow for an eventually-integrated client management system (CMS). This new “Texas Workforce Integration Network” system (TWIN) will also provide a gateway to the internet and a variety of other communication services.

However, although the technical capacity for sophisticated MIS exists in Texas, development of common application and eligibility systems and systems for integrated assessment and case management—all key elements of the state’s original One-Stop proposal—has been delayed due to a variety of obstacles. Under competitive bidding arrangements for information systems, different agencies formed partnerships with different computer and information companies. Because of this competition, respondents noted that state One-Stop partner agencies were less likely to collaborate in building integrated systems. After a series of discussions involving the respective legal departments of various state agencies, for example, no consensus had been reached on standards for common intake and eligibility, let alone for integrated assessment and case management.

All respondents agreed that there were substantive issues of confidentiality, particularly in a One-Stop environment where non-governmental employees might be able to gain access to confidential information on individuals or employers. In order to deal with these potential problems, adequate training in the ethical issues related to confidentiality and clients' rights would be required, and proper sanctions would have to be in place when those ethics were violated. Respondents, however, see the current debate on confidentiality as more a legal and political problem than a technical one, suggesting that a variety of "firewalls" and access codes could be a part of a system-level endeavor to safeguard confidentiality. Respondents stressed, however, that although *state-level* efforts have been delayed, various *locally initiated efforts* at the level of either regional "networks" of One-Stops or individual Career Centers have progressed, and have often outpaced state MIS development efforts. Several local sites, for example, have developed their own common intake and eligibility procedures, and several are in the process of linking these information systems through wide area networks.

Marketing

Until fairly recently, local sites have had the major responsibility for their developing their own marketing plans, with the state acting in a supportive role. By providing local areas with information and prototypes used in marketing campaigns in a variety of locations throughout the state and nation, the state used a "tool kit" approach to helping local sites with marketing.

More recently, the state has been involved in directly promoting the One-Stop concept. At the time of the evaluation visit, state-level marketing efforts were tied to planning for a large and well publicized conference which was to take place in Dallas at the end of May, 1996. The conference was to have the dual purpose of introducing the new Workforce Commission and promoting the state's vision of One-Stop Career Centers to the larger public. Central to One-Stop marketing efforts was the establishment of a "common identity" for Career Centers throughout the state. It was expected that the upcoming conference would generate considerable media publicity in the form of newspaper, television, and radio commentaries.

Internal marketing efforts were to include a "simulated career center" in which agency partners would showcase their vision of a One-Stop Center in operation, intended to help conferees understand how a non-program-based case management system serving "multiple target populations" was intended to function. Live interactive tours of the office were being planned throughout of the conference. Another marketing effort tied to the conference involved displays of children's artwork related to career goals.

Longer-term goals of the marketing team within the Workforce Commission's Office of Public Information and Media included the development of *a cohesive identity* for the statewide One-Stop system. In this respect, the team faced several challenges. First, it was recognized that One-Stop Centers in the state varied greatly in their institutional histories (e.g., the configuration of "lead" partners and the degree of participation by partner agencies and community organizations). Second, "buy-in" of top Workforce Commission leadership on a comprehensive marketing plan was necessary, but this process had met with delays during reorganization, because its leadership was still in the process of establishing priorities and delineating various roles and responsibilities within the new organization. As a result of these delays, regional One-Stop systems and local Centers were not waiting for the state to introduce marketing plans, and were independently pursuing a variety of local marketing strategies.

Therefore, much of the state's concern had to do with the *timing* of their marketing efforts, and how marketing efforts would be accepted by local sites. Local sites had come up with a variety of names for their centers, and while many had "Career Center" in their names, others did not. In many cases, local areas had invested considerable time and money in their own marketing efforts, and part of the question for state marketing personnel was "how to get the horses back in the corral." If the state were to take a strong lead in building a cohesive identity for One-Stop, there was concern that they would be faced with a "hard sell to get some sites to drop their local identities."

As a part of their marketing efforts, a new logo had been designed with the designation "Texas Career Centers," and was to be used on state publicity materials as of June 1996. Local sites which had been certified as One-Stop Centers could place logo decals on their front doors, and use it as a part of their signage. It was suggested that use of the new logo by Career Centers would be similar to a "Good Housekeeping seal of approval," and would imply that centers displaying the logo would have services meeting state standards. Agreement on a standardized name for One-Stops throughout the state had some other important real-life implications for customers. For example, in light of the high degree of labor mobility in Texas, a cohesive identity and a standard name would help individuals to easily locate these "Career Centers" when coming to a new area.

ASSESSMENT AND LESSONS LEARNED

The state of Texas has a highly ambitious One-Stop vision that emphasizes the use of a variety self-service electronic technologies to complement group services and case management. In designing its One-Stop system, the state has emphasized a flexible approach suitable for a large state characterized by diversity and a desire for local autonomy. At the same time, the state has

maintained its commitment to providing adequate levels of technical assistance and support for local implementation areas. The experience of building a state-level inter-agency team prior to One-Stop implementation has facilitated the process of establishing local Career Centers. This emphasis on inter-agency coordination, and the obstacles involved with such coordination, has given the state's One-Stop team a deep understanding of the issues that arise at local levels, and of the means to facilitate team building.

The Texas approach to One-Stop design and implementation is characterized by several features, including: (1) strong state leadership to create a consolidated workforce development system; (2) recognition of the importance of local variations in the organization, design, and delivery of services; (3) an organizational structure that emphasizes participation in planning and governance at both the state and local levels; (4) a vision of tiered services; (5) the development of relevant and useful indicators of system-wide performance including customer needs assessment and measures of customer satisfaction; and (6) a continuing emphasis on improving a well-developed technological infrastructure.

SOICC has been a major force in providing many of the information-related tools which are a key component of the state's vision of emphasizing an "inverted pyramid" of services, in which the largest proportion of customers will have convenient access to a variety of self-service options. In particular, SOICC has developed an impressive array of LMI modules, with many different applications geared to a variety of audiences. The state One-Stop team has also developed a thoughtful "benchmarking" instrument, which is not only a tool for state oversight of local areas, but also promotes understanding of the types of technical assistance required by individual One-Stops. Although local reactions to benchmarking vary from place to place, many local sites find the process helpful in determining how far they have come in the process, and where further efforts are required.

The Texas One-Stop initiative has clearly proceeded rapidly in many areas. State legislation supporting the US DOL's One-Stop goals of increasing collaboration and reducing duplication of efforts has been a key factor in the degree to which One-Stop goals have been vigorously pursued in Texas. By mandating consolidation, the state legislature has provided a foundation to an integrated workforce development system. Under the new system of local workforce development boards, local areas also have the option of increasing their autonomy and flexibility to respond to local workforce development needs.

The consolidation of a very broad range of workforce programs under one administrative entity has at the same time facilitated progress and created a series of challenges. Despite progress

in many areas, the state is still in an early stage of development, having just completed its first wave of local One-Stop implementation. The state is also still struggling with several aspects of its One-Stop initiative which have yet to be resolved. Difficulties involved with introducing greater levels of competition into the system, and developing integrated systems of intake and case management across programs, are some of the examples noted in this profile.

Overall, however, the state of Texas has taken bold and comprehensive measures in furthering the One-Stop initiative. Despite the various challenges described in this profile, the state has profited from the experiences gained in inter-agency consolidation, and has attempted to share these experiences with implementation sites. In its role as facilitator, the state-level team intervenes when appropriate, but prefers to act in a support role by helping local sites during the process of rapid change brought about by the movement to develop a strong and integrated workforce system. There is a recognition that real reforms take time, and that in order for workforce development efforts to succeed in Texas, the process of establishing solid partnerships, at both the state and local levels, is essential.